CITY OF BISMARCK DEFERRED SICK LEAVE FUND INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2008

						T									Current	Prior Year	3 Years	5 Years						
	May-08 Allocation Month				April-08 Allocation Month				March-08 Allocation Quarter				December-07 Allocation Quarter				September-07 Allocation Quarter				FYTD	FY07	Ended	Ended
	Market Value			Month Net ROR	Market Value	Actual		Month Net ROR	Market Value			Quarter Net ROR	Market Value			Quarter Net ROR	Market Value	Actual		Quarter Net ROR	Net	Net	6/30/2007 Net	6/30/2007 Net
LARGE CAP DOMESTIC EQUITY	marriot value	, totaa.	. 009	HOLITOIL	mantot valuo	7101441		HOLITOIL	mamor raido	7 totadi	. 00)	110111011	mantot valuo	7101441	. 00	. tot itoit	marror value	7 totaai	. 00			1101		1101
Structured Growth																								
Los Angeles Capital	19,160	2.3%			18,403	2.2%	2.3%	5.69%	17,410	2.1%		-10.91%	17,801	2.1%	2.3%	-1.50%	18,934	2.3%	2.3%	0.38%	-2.48%	21.84%	13.35%	N/A
Total Structured Growth Russell 1000 Growth	19,160	2.3%	2.3%	4.75% 3.67%	18,403	2.2%	2.3%	5.69% 5.25%	17,410	2.1%	2.3%	-10.91% -10.18%	17,801	2.1%	2.3%	-1.50% -0.77%	18,934	2.3%	2.3%	0.38% 4.21%	-2.48% 1.34%	21.84% 19.04%	13.35% 8.70%	10.94% 9.28%
				3.07 /6				3.23%				-10.10%				-0.7776				4.2170	1.34/0	19.0470	0.70%	9.20%
Structured Value LSV	17,989	2.2%	2.3%	0.11%	18,078	2.2%	2.3%	4.74%	17.255	2 1%	2.3%	-9.73%	17,414	2.1%	2.3%	-5.53%	18,459	2.2%	2.3%	-0.89%	-11.38%	23.77%	19.00%	16.55%
Russell 1000 Value	11,505	2.2 /0	2.070	-0.16%	10,010	2.2 /0	2.070	4.87%	11,200	2.170	2.070	-8.72%	11,414	2.170	2.070	-5.80%	10,400	2.270	2.070	-0.24%	-10.18%	21.87%	15.93%	13.31%
Russell 1000 Enhanced Index																								
LA Capital	37,615	4.6%	4.5%	3.05%	36,730	4.5%	4.5%	5.22%	34,900	4.3%	4.5%	-10.22%	35,409	4.2%	4.5%	-1.07%	37,693	4.5%	4.5%	0.24%	-3.45%	21.27%	13.46%	N/A
Russell 1000				1.83%				5.07%				-9.48%				-3.23%				1.98%	-4.42%	20.43%	12.34%	
S&P 500 Enhanced Index																								
Westridge	39,000	4.7%	4.5%		41,579	5.0%	4.5%	5.00%	39,571	4.9%	4.5%	-9.12%	39,684	4.7%	4.5%		41,774	5.0%	4.5%	2.18%	-4.11%	21.12%	11.98%	N/A
S&P 500				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	
Index																								
State Street	12,688	4 ===	4 =0:	2.19%	13,416	4 00/	4 =01	3.91%	12,902	4 00/	4 =0:	-10.81%	10,772	4.00/	4 =0:	-6.37%	11,446	4 407	4 =0:	-0.80%	-12.02%	21.82%	12.34%	11.08%
Total 130/30 S&P 500	12,688	1.5%	1.5%	2.19% 1.30%	13,416	1.6%	1.5%	3.91% 4.87%	12,902	1.6%	1.5%	-10.81% -9.44%	10,772	1.3%	1.5%		11,446	1.4%	1.5%	-0.80% 2.03%	- 12.02% -5.12%	21.82% 20.59%	12.34%	11.08% 10.71%
																-3.33%							11.68%	
TOTAL LARGE CAP DOMESTIC EQUITY	126,453	15.3%	15.0%		128,205	15.6%	15.0%	5.01%	122,037	15.0%	15.0%	-9.94%	121,081	14.5%	15.0%		128,307	15.4%	15.0%	0.62%	-5.51%	21.86%	13.76%	12.22%
S&P 500				1.30%				4.87%				-9.44%				-3.33%				2.03%	-5.12%	20.59%	11.68%	10.71%
SMALL CAP DOMESTIC EQUITY																								
Manager-of-Managers																								
SEI	21,644	2.6%	2.5%	4.05%	21,597	2.6%	2.5%	4.53%	20,656	2.5%	2.5%	-11.46%	19,951	2.4%	2.5%		21,281	2.5%	2.5%	-3.66%	-13.11%	18.39%	13.70%	14.37%
Russell 2000 + 200bp				4.76%				4.35%				-9.43%				-4.09%				-2.60%	-7.51%	18.76%	15.72%	16.16%
Enhanced																								
Research Affiliates	21,392	2.6%	2.5%		21,254	2.6%	2.5%	3.13%	20,610	2.5%	2.5%	-6.75%	18,908	2.3%	2.5%	-7.00%	20,290	2.4%	2.5%	N/A	N/A	N/A	N/A	N/A
Russell 2000				4.59%				4.19%				-9.90%				-4.58%				-3.09%	-9.20%			
TOTAL SMALL CAP DOMESTIC EQUITY	43,037	5.2%	5.0%		42,851	5.2%	5.0%	3.83%	41,266	5.1%	5.0%	-9.17%	38,859	4.6%	5.0%	-6.67%	41,571	5.0%	5.0%	-4.98%	-12.90%	18.39%	13.70%	14.37%
Russell 2000				4.59%				4.19%				-9.90%				-4.58%				-3.09%	-9.20%	16.44%	13.45%	13.88%
INTERNATIONAL EQUITY																								
Large Cap - Active																								
Capital Guardian	33.915	4.1%	4.0%	1.42%	35,466	4.3%	4.0%	6.80%	33.234	4.1%	4.0%	-10.93%	32.829	3.9%	4.0%	-1.23%	33.368	4.0%	4.0%	0.61%	-4.12%	25.99%	21.19%	14.89%
LSV	33,618	4.1%	4.0%		33,100	4.0%	4.0%	5.94%	31,323	3.9%		-12.84%	31,565	3.8%	4.0%	-6.39%	33,873	4.1%	4.0%	-3.37%	-16.40%	31.24%	N/A	N/A
Total Large Cap - Active	67,533	8.2%	8.0%	0.78%	68,566	8.3%	8.0%	6.38%	64,557	7.9%	8.0%	-11.87%	64,394	7.7%	8.0%	-3.80%	67,241	8.1%	8.0%	-1.43%	-10.41%	28.57%	22.95%	18.43%
MSCI EAFE - 50% Hedged				1.26%				6.46%				-12.04%				-2.19%				0.11%	-7.16%	26.94%	22.55%	15.71%
0																								
Small Cap - Value DFA	7.950	1.0%	1.0%	2.15%	8.249	1.0%	1.0%	1.65%	8.111	1.0%	1.0%	-3.65%	7.806	0.9%	1.0%	N/A	_	0.0%	0.0%	N/A	N/A	N/A	N/A	N/A
Lazard	-	0.0%		N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	-	0.0%	0.0%	N/A	8,229	1.0%	1.0%	-3.92%	N/A	21.03%	20.93%	N/A
Total Small Cap Value	7,950	1.0%	1.0%	2.15%	8,249	1.0%	1.0%	1.65%	8,111	1.0%	1.0%	-3.65%	7,806	0.9%	1.0%	-0.64%	8,229	1.0%	1.0%	-3.92%	-4.50%	21.03%	20.93%	N/A
S&P/Citigroup Broad Market Index < \$2BN				2.10%				2.30%				-14.70%				-5.94%				-0.66%	-16.74%	28.58%	26.34%	
O	1																							
Small Cap - Growth Vanguard	7,776	0.9%	1.0%	2.07%	8.079	1.0%	1.0%	2.24%	7.902	1.0%	1.0%	-8.33%	7.990	1.0%	1.0%	-4.84%	8.053	1.0%	1.0%	-1.48%	-10.32%	31.00%	28.08%	N/A
Citigroup Broad Market Index < \$2BN	1,776	0.9%	1.0%	2.07%	0,079	1.0%	1.0%	2.24%	1,902	1.0%	1.0%	-8.33% -14.70%	7,990	1.0%	1.0%	-4.84% -5.94%	0,053	1.0%	1.0%	-0.66%	-10.32% -16.74%	28.58%	26.34%	N/A
TOTAL INTERNATIONAL EQUITY	83.259	10 19/	10.0%		84.894	10.3%	10.00/	5.50%	80.570	0.0%	10.0%		80.190	0.69/	10.0%		83.523	10.0%	10.0%	-1.70%	-10.19%	28.02%	23.43%	17.15%
MSCI EAFE - 50% Hedged	63,259	10.1%	10.0%	1.26%	04,094	10.3%	10.0%	6.46%	80,570	9.9%	10.0%	-10.75%	60, 190	9.0%	10.0%	-3.97% -2.19%	63,323	10.0%	10.0%	0.11%	-7.16%	26.94%	22.55%	15.71%
Wider Erit E de 76 Fledged				1.2070				0.4070				12.0470				2.1070				0.1170	7.1070	20.5470	22.0070	10.7 170
DOMESTIC FIXED INCOME																								
Core Bond																								
Western Asset	159,242	19.3%	20.2%		157,811	19.2%	20.2%	1.45%	155,897	19.2%	20.2%	-1.03%	166,266	19.9%	20.2%		163,213	19.5%	20.2%	1.87%	3.28%	7.29%	4.44%	5.64%
Lehman Aggregate	1			-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%	3.98%	4.48%
Mortgage Backed																					40			
Hyperion	36,809	4.5%	5.2%		38,001	4.6%	5.2%	-1.88%	39,873	4.9%	5.2%	-7.97%	44,475	5.3%	5.2%	-1.00%	44,423	5.3%	5.2%	-1.78%	-12.60%	N/A	N/A	N/A
Lehman Global Aggregate (US Securitized Po	oruon) I			-0.70%				-0.57%				4.18%				3.15%				3.88%	10.22%			
Core Plus/Enhanced	47.040	F 701	F 001	0.050/	40 507	F 70'	F 00'	0.7004	40.070	E 00'	E 00'	0.0004	40.470	E 00'	F 00'	0.0004	40.000	E E0'	F 00'	4 4401	44.0424	E E004	N1/4	N1/A
Clifton Group	47,016 46,232	5.7% 5.6%			46,597 45,625	5.7% 5.5%	5.2% 5.2%	-0.73% 0.50%	46,973 45,700	5.8% 5.6%	5.2%	3.69%	48,470 46,473	5.8% 5.6%	5.2%	3.99% 2.45%	46,082 44,858	5.5% 5.4%	5.2% 5.2%	4.41% 1.95%	11.04%	5.52% N/A	N/A N/A	N/A N/A
Prudential Total Core Plus/Enhanced	93,248		5.2% 10.4%	-0.28% - 0.47%	45,625 92,221	5.5% 11.2%		0.50% -0.12%	45,700 92,674	5.6% 11.4%	5.2%	0.95% 2.35%	46,473 94,942		5.2%		90,939		10.4%	1.95% 3.18%	5.67% 8.38%	5.95%	N/A N/A	N/A N/A
Lehman Aggregate	93,240	11.3%	10.4%	-0.47%	32,221	11.2/0	10.4 /6	-0.12% -0.21%	32,074	11.4/0	10.4 %	2.17%	34,342	11.4/0	10.4%	3.00%	30,339	10.3/0	10.4%	2.84%	7.21%	6.12%	N/A	N/A
25a iggrogato	1			0.7070				0.2170				2.11/0	ļi.			0.0070				2.07/0	1.21/0	0.12/0		ı

CITY OF BISMARCK DEFERRED SICK LEAVE FUND **INVESTMENT PERFORMANCE REPORT AS OF MAY 31, 2008**

																					Current	Prior Year	3 Years	5 Years
	May-08				April-08				March-08				December-07				September-07				FYTD	FY07	Ended	Ended
	Allocation Month			Allocation Month				Allocation Quarter			Allocation Quarter			Allocation Quarter						6/30/2007				
	Market Value	Actual			Market Value	Actual	Policy	Net ROR	Market Value			Net ROR	Market Value		Policy	Net ROR	Market Value			Net ROR	Net	Net	Net	Net
to do																								
Index																								
Bank of ND	80,068	9.7%	9.1%		79,727	9.7%	9.1%		80,395	9.9%	9.1%	2.94%	83,175	9.9%	9.1%		81,245	9.7%	9.1%			5.45%	2.92%	4.32%
Lehman Gov/Credit (1)				-1.03%				-0.59%				2.53%				3.10%				3.01%	7.13%	6.00%	3.04%	4.35%
BBB Average Quality																								
Wells Capital (formerly Strong)	160,604	19.5%	20.2%	-0.95%	159,759	19.4%	20.2%	0.55%	158,823	19.6%	20.2%	0.36%	164,832	19.7%	20.2%	1.98%	161,048	19.3%	20.2%	1.48%	3.45%	7.93%	4.86%	6.59%
Lehman US Credit BAA	,			-0.64%	,			1.30%				-1.05%	,			1.90%				1.67%	3.18%	7.54%	4.47%	6.59%
TOTAL DOMESTIC FIXED INCOME	529,971	64.3%	65.0%	-0.76%	527,520	64.0%	65.0%	0.30%	527,661	65.0%	65.0%	0.00%	553,691	66.2%	65.0%	2.00%	540,869	64.8%	65.0%	1.84%	3.40%	7.11%	3.89%	5.04%
Lehman Aggregate (2)				-0.73%				-0.21%				2.17%				3.00%				2.84%	7.21%	6.12%	4.13%	4.87%
CASH EQUIVALENTS																								
Bank of ND	41,146	5.0%	5.0%	0.16%	40,293	4.9%	5.0%	0.15%	40,728	5.0%	5.0%	0.70%	42,261	5.1%	5.0%		40,796	4.9%	5.0%	1.24%	3.25%	5.36%	4.10%	3.00%
90 Day T-Bill				0.03%				0.11%				0.88%				1.05%				1.34%	3.45%	5.21%	3.78%	2.76%
TOTAL DEFERRED SICK LEAVE FUND	823,866	100.0%	100.0%	0.20%	823,764	100.0%	100.0%	1.70%	812,263	100.0%	100.0%	-2.85%	836,082	100.0%	100.0%	0.20%	835,066	100.0%	100.0%	0.89%	0.07%	11.82%	7.58%	8.08%
POLICY TARGET BENCHMARK				0.07%				1.46%				-1.73%				1.07%				2.10%	2.96%	10.68%	7.25%	7.42%

NOTE: Monthly returns and market values are preliminary and subject to change.

⁽¹⁾ From April 1, 2004, through June 30, 2005, the benchmark was the LB Intermediate Govt/Credit index. (2) Prior to July 1, 2005, the benchmark was LB Govt/Credit Index.